

# Mutual fund

**Q.P. Code: 00001029**

**[Time: 03.00 Hrs]**

**[ Marks:60 ]**

Please check whether you have got the right question paper.

- N.B:
1. Q.1 is compulsory and carries 20 Marks.
  2. Attempt any four questions from Q.2, Q.3, Q.4, Q.5, Q6 and Q7. Each of these questions carry 10 Marks.
  3. Figures to the right indicate full marks.

**Q.1 (A) Select the correct option:**

**(20)**

- 1) Phase I of Mutual funds in India extended from \_\_\_\_\_.  
a. 1964- 1987      b. 1961- 1987      c. 1964- 1988      d. 1961- 1988
- 2) The value of one unit of investment in Mutual fund is called the \_\_\_\_\_.  
a. Net Asset Value      b. Issue value      c. Market value      d. Gross Asset value
- 3) Mutual Fund schemes are first offered to investors through \_\_\_\_\_.  
a. Stock exchange      b. New Fund Offer      c. Initial Public Offer      d. AMFI
- 4) In India, AMC must be registered with \_\_\_\_\_.  
a. Companies Act, 2013      b. Reserve Bank of India  
c. Securities Exchange Board of India      d. No registration is required
- 5) What is the objective of AMFI's nationwide investor awareness program?  
a. To promote understanding of the concept and working of mutual funds.  
b. To provide financial advice to investors.  
c. To regulate the conduct of mutual fund distributors.  
d. To promote sales of mutual fund products.
- 6) Day to Day Operations of a Mutual Fund is handled by \_\_\_\_\_.  
a. Asset Management Company      b. Sponsor  
c. Trustees      d. Shareholder
- 7) Net Asset Value (NAV) of a mutual fund scheme is calculated and published on websites of \_\_\_\_\_.  
a. SEBI website only      b. SEBI and AMFI websites  
c. AMFI and Mutual fund website      d. Mutual fund website only
- 8) ARN stands for  
a. ASSI Registration Number      b. AMFI Registration Number  
c. AMC Registration Number      d. ANC Registration Number
- 9) Under net asset method, value of a share depends on \_\_\_\_\_.  
a. Net Assets available to equity shareholders

- b. Net assets available to debentures holders
  - c. Net assets available to preference shareholders
  - d. None of the above
- 10) Financial management is concerned with managerial activities relating to
- a. Planning
  - b. Procurement and administration of funds
  - c. Optimum utilization of funds
  - d. All of the above
- 11) \_\_\_\_\_ refers to the structure of total capital funds raised by the company.
- a. Fixed capital
  - b. Capital structure
  - c. Capital requirements
  - d. Under capitalization
- 12) If there is an increase in interest rates then the fixed interest rate of the corporate bond will \_\_\_\_\_.
- a. Return to the corporation
  - b. Decrease in value
  - c. Remain unchanged
  - d. Increase in value
- 13) An investor invests in assets known as a
- a. Securities
  - b. Block of Assets
  - c. Portfolio
  - d. None of the above
- 14) The ability to convert an asset rapidly and without influencing its price is referred to as \_\_\_\_\_.
- a. Scalability
  - b. Liquidity
  - c. Marketability
  - d. minimal risk
- 15) Horse racing, card games, and the lottery are all instances of \_\_\_\_\_.
- a. Investing
  - b. Gambling
  - c. Speculating
  - d. Arbitrage
- 16) If there is an increase in interest rates than the fixed interest rate of the corporate bond will \_\_\_\_\_.
- a. Return to the corporation
  - b. Decrease in value
  - c. Remain unchanged
  - d. Increase in value
- 17) Which one of the following is shown first when the assets are arranged in the order of their liquidity?
- a. Investment
  - b. Cash in hand
  - c. Debtors
  - d. None of the above
- 18) Presently there are \_\_\_\_\_ AMC in India.

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- a. 40                      b. 50                      c. 44                      d. 39

19) Which of the following are not factors to consider when measuring mutual fund performance?

- a. Investment goals                      b. Checking historical performance data  
c. Fee structure of the fund          d. Risk free adjusted returns

20) In which year Electronic mode/ platform for lodging and tracking complaints by the investors (SCORES) was launched?

- a. 2010                      b 2011                      c. 2012                      d. 2014

**Q.2** Any two from (a) or (b) or (c): **(10)**

- (a) Comparison of Mutual Fund with Bonds.
- (b) Explain the Criteria for Mutual Fund Scheme Selection.
- (c) List the Obligations of an Asset Management Company (AMC).

**Q.3 Any two from (a) or (b) or (c):** **(10)**

- (a) Write a note on the rights & obligations of the trustees.
- (b) List down the AMFI Code of Conduct for Intermediaries.
- (c) What is NAV (Net Asset Value) in the context of mutual funds, and how it is calculated?

**Q.4 Any two from (a) or (b) or (c): (10)**

- (a) Discuss the importance of financial planning
- (b) Discuss financial planning strategies with suitable example

(c) What are some strategies and methods employed by corporations to maximize their wealth?

**Q.5 Any two from (a) or (b) or (c): (10)**

(a) What are the principal features of the mutual fund distribution channel?

(b) Explain the Importance of Risk Return Trade-Off in Mutual Funds.

(c) How to measure Mutual Fund Performance?

**Q.6 Any two from (a) or (b) or (c): (10)**

(a) What are some of the Acts and laws related to investor protection?

(b) Write a note of Benchmarking in Mutual Fund.

(c) How to register complaint online in SCORES?

**Q.7 Any two from (a) or (b) or (c): (10)**

(a) How can risk adjusted returns be calculated?

(b) Explain the salient features of SCORES.

(c) What are some of the general grievances faced by investors?